

Message Text

LIMITED OFFICIAL USE

PAGE 01 ABU DH 01033 121533Z
ACTION NEA-10

INFO OCT-01 ISO-00 NEAE-00 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
ICA-11 SSM-03 /067 W
-----100440 121541Z /43

P R 121245Z APR 78
FM AMEMBASSY ABU DHABI
TO SECSTATE WASHDC PRIORITY 7669
INFO AMEMBASSY DOHA
AMEMBASSY KUWAIT
AMEMBASSY JIDDA
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY TEHRAN

LIMITED OFFICIAL USE ABU DHABI 1033

E.O. 11652: N/A
TAGS: PGOV, TC
SUBJ: SHAIKH ZAYID'S FENCE MENDING TOUR IN NORTHERN EMIRATES

BEGIN SUMMARY: ZAYID RETURNED APRIL 11 FROM WEEK LONG POLITICAL FENCE-MENDING TOUR OF NORTHERN EMIRATES. SUPERFICIAL IMPRESSION IS THAT TOUR AT LEEAST PARTIALLY SUCCESSFUL IN EASING TENSIONS BETWEEN ZAYID AND NORTHERN RULERS, PARTICULARLY RULERS OF DUBAI AND RAS AL KHAIMAH. END SUMMARY

1. DURING PERIOR BETWEEN APRIL 6 AND 11, UAE PRESIDENT SHAIKH ZAYID HAS BEEN IN NORTHERN EMIRATES FOR WHAT CLEARLY HAS BEEN POLITICAL FENCE-MENDING OPERATION. THE LENGTH OF THE TOUR; FACT THAT IT WAS USED AS AN OCCASION FOR ZAYID TO VISIT DUBAI DRYDOCK, TO INAUGURATE NEW HILTON HOTEL AT FUJAIRAH, AND TO INSPECT HOSPITAL FACILITIES UNDER CONSTRUCTION AT RAS AL KHAIMAH; AND NUMBER OF DIFFERENT MEETINGS THAT ZAYID HAD WITH OTHER RULERS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ABU DH 01033 121533Z

ON THEIR OWN TURF SEEM TO INDICATE ZAYID IS ATTEMPTING RESPOND TO RECENT CRITICISM THAT ABU DHABI INCREASINGLY INDIFFERENT TO PROBLEMS OF SMALLER AND LESS WEALTHY EMIRATES.

2. IN HIS TOUR OF NORTHERN EMIRATES, ZAYID HAS SOUGHT TO TACKLE A NUMBER OF ISSUES. MOST IMPORTANT AMONG THESE HAVE BEEN:
-- A) RESOLUTION OF POLITICAL TENSION ARISING FROM ZAYID'S

FEBRUARY FIRST APPOINTMENT OF HIS SECOND SON SULTAN BIN ZAYID AS
COMMANDER-IN-CHIEF OF UAE ARMED FORCES AND THREATENED ELI
INATION

OF FEDERAL FUNDING FOR REGIONAL COMMANDS THAT FAIL TO INTEGRATE
INTO UAE DEFENSE FORCE. IN PARTICULAR SHAIKH RASHID OF DUBAI HAS
OBJECTED TO SHAIKH SULTAN'S APPOINTMENT ON GROUNDS THAT IT WAS
DONE BY PRESIDENTIAL DECREE WITHOUT PRIOR APPROVAL OF SUPREME
COUNCIL OF RULERS (ABU DHABI 346 AND A-012) AND THEREBY ESTAB-
LISHED DANGEROUS CONSTITUTIONAL PRECEDENT.

-- B) GETTING DUBAI AND OTHER EMIRATES TO AGREE TO 1978 FED-
ERAL BUDGET WHICH REQUIRES EACH OF OTHER EMIRATES TO MAKE
AT LEAST A TOKEN CQP PERCENT CONTRIBUTION TO FEDERAL TREASURY.

-- C) GETTING AGREEMENT TO HOTELLY DEBATED DRAFT LAWS NOW
BEFORE NATIONAL ASSEMBLY REQUIRING 51 PERCENT OWNERSHIP BY
UAE NATIONALS OF ANY COMPANY ESTABLISHED IN EMIRATES AND BARRING
FOREIGNERS (EXCEPT FOR DIPLOMATIC MISSIONS AND NATIONALS FROM
CERTAIN ARABIAN PENINSULA COUNTRIES ON RECIPROCAL BASIS) FROM
OWNING LAND IN UAE. NORTHERN EMIRATES HAVE GENERALLY OPOSED
THIS LEGISLATION OR ELSE HAVE ASKED FOR EXTENSIVE GRACE PERIODS
SINCE LAWS WOULD IMPAIR THEIR CURRENT EFFORTS TO ATTRACT
MORE FOREIGN INVESTMENT. (ABU DHABI'S A-017).

-- D) UNRESOLVED BOUNDARY PROBLEMS, ESPECIALLY THOSE BETWEEN
OMAN AND RAS AL KHAIMAH. ZAYID PRESUMABLY WISHED TO DISCUSS WITH
SHAIKH RASHID WHAT TRANSPIRED DURING LATTER'S APRIL 3 MEETING WITH
SULTAN QABUS IN SOHAR (WE UNDERSTAND NOTHING ACHIEVED AT SOHAR
TALKS IN RESOLVING BOUNDARY ISSUE).
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ABU DH 01033 121533Z

-- E) VISAS. DUBAI AND SHARJAH HAVE PRESSED HARD TO GET A
LOOSENING OF PRESENT TIGHT FEDERAL IMMIGRATION REGULATIONS BY
REINSTITUTING SOME KIND OF TEMPORARY AIRPORT VISA TO ALLOW BUSINESS-
MEN TO ENTER WITHOUT RESTRICTIONS FOR SHORT PERIODS OF TIME.
PRESSURE FROM HOTELS IN SHARJAH AND DUBAI WITH CURRENTLY HIGH
VACANCY RATES FOR RELAXATION VISA REGULATIONS HAS BEEN INTENSE.

-- F) RUNNING THE POLICE RASHID CONTINUES TO FEEL THAT UAE
MINISTRY OF INTERIOR BUREAUCRATICALLY CONSTIPATED AND INCAPABLE OF
ASSURING PROPER PROTECTION FOR DUBAI'S INTERESTS AGAINST POTENTIALLY
SUBVERSIVE ELEMENTS. HE HAS RESISTED ABU DHABI DEMANDS FOR
MORE DIRECT CONTROL OF DUBAI POLICE AND SECURITY FORCES. EFFECT
HAS BEEN REDUCED COMMUNICATION AND COORDINATION BETWEEN MINISTRY
OF INTERIOR IN ABU DHABI AND DUBAI POLICE TO DETRIMENT OF GENERAL
UAE SECURITY.

-- G) HOW TO REINVIGORATE UAE ECONOMY. SINCE LAST YEAR'S
DIRHAM CRISIS AND SUBSEQUENT CURRENCY BOARD CREDIT RESTRICTIONS,
OTHER RULERS HAVE FELT SHARPLY EFFECT OF DEFLATIONARY MEASURES
AND HAVE NOT BEEN PLEASED. SHAIKH SAQR OF RAS AL KHAIMAH IN
PARTICULAR HAS ARGUED FOR RECEIVING SUBSTANTIAL CREDITS FROM
UAE FINANCIAL INSTITUTIONS TO FINANCE HIS AMBITIOUS PROJECTS
RATHER THAN HAVE TO DEPEND ON EURODOLLAR CAPITAL MARKETS (ABU
DHABI A-18), WHILE SHAIKH RASHID IS NOW LOOKING FOR ADDITIONAL

CAPITAL TO FUND COST OVER-RUNS FOR SOME OF DUBAI'S MAJOR INFRA-STRUCTURE PROJECTS -- PARTICULARLY THE DRYDOCK (SEE 77 ABUSUDHABI 3414).

3. ON THE SURFACE IT APPEARS THAT ZAYID HAS AT LEAST PARTIALLY BEEN SUCCESSFUL. TELEVISION HAS PROMINENTLY DISPLAYED SHAIKH RASHID AND SAHIKH SAQR RUBBING NOSE ININ GREETING WITH COMMANDER IN CHIEF SHAIKH SULTAN BIN ZAYID WHICH AGREE WHICH AGREED BY MOST OBSERVORS HERE TO INDICATE THEIR ACCEPTANCE OF SHAIKH SULTAN'S NEW STATUS. PRESS ON APRIL 12 HAS ANNOUNCED THAT SHAIKH ZAYID WILL SIGN THE UAE FEDERAL BUDGET ON APRIL 15 NOTING THAT ALL OTHER SUPREME COUNCIL RULERS HAVE NOW SIGNED IT. ALSO, SHAIKH SAQR HAS ISSUED A STATEMENT TO EFFECT THAT HE HAD BEEN "MISQUOTED" MONTH BEFORE BY NEWSPAPERMEN, PRESUMABLY A WAY OF RETRACTING SAQR'S LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 ABU DH 01033 121533Z

COMPLAINTS INVIDIOUSLY COMPARING
ABU DHABI EXPENDITURES ON FOREIGN
AID WITH WHAT HE FELT WAS NIGGARLY ASSISTANCE TO HIS OWN EMIRATES'S DEVELOPMENT.

4. WE HOPE TO BE ABLE TO PROVIDE SHORTLY A MORE PRECISE PICTURE OF WHAT WAS ACCOMPLISHED DURING THIS WEEK LONG VISIT. AMBASSADOR WILL BE MEETING MINDEF SHAIKH MUHAMMAD BIN RASHID ON APRIL 16 IN DUBAI AND WILL BE SEEKING APPOINTMEMENT WITH FORMIN SUWAIDI (WHO ACCOMPANIED ZAYID) IN NEAR FUTURE.
DICKMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: HEAD OF GOVERNMENT VISITS, TRAVEL REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 12 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ABUDH01033
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780157-0614
Format: TEL
From: ABU DHABI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780467/aaaacezv.tel
Line Count: 147
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 278c61b2-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2999623
Secure: OPEN
Status: NATIVE
Subject: SHAIKH ZAYID'S FENCE MENDING TOUR IN NORTHERN EMIRATES BEGIN SUMMARY: ZAYID RETURNED APRIL 11 FROM WEEK LONG POLITICAL FENCE-MENDING TOUR OF NORTHERN EMIRATES. SUPERFIC
TAGS: PGOV, OVIP, TC, (AL-NUHAYAN, ZAYID IBN SULTAN)
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/278c61b2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014